

NEOEN



Sustainability at Neoen

September 2022

Neoen is dedicated to the energy transition...



4.908 GWh

Clean competitive energy
produced in 2021



5.6 GW

Installed
capacity



16 Countries

International
player



≥ 10 GW

Target
for 2025

... and is advancing global development goals



Delivering clean energy to reduce emissions

Neoen develops, owns and operates large-scale wind, solar and battery storage projects around the world, helping to accelerate the pace of transition



Promoting access to affordable energy

Neoen's wind and solar projects deliver competitively priced energy, exerting downward pressure on electricity prices



Examples of Eligible Green Projects from the inaugural Green Convertible Bond



Victorian Big Battery
One of the world's largest batteries



Mutkalampi
Largest windfarm in Finland, under construction



Western Downs
Australia's largest solar farm



300 MW / 450 MWh



210
Tesla Megapacks

- Under a 250 MW System Integrity Protection Scheme (SIPS) contract with the Australian Energy Market Operator
- Provision of an automatic instant response in the event of an unexpected network outage and fast frequency control
- Construction in less than one year



404 MW



COD
in 2023



254,737 tCO₂
Expected annual GHG emissions avoided

- Highly competitive large-scale renewable energy, which delivers value for multiple customers (Google, Heineken, Nobian, Philips and Signify).
- Gradual energization from 2022 to 2023



460 MWp



COD
in 2023



703,494 tCO₂
Expected annual GHG emissions avoided

- Under a 352 MW PPA contract with CleanCo Queensland
- Neoen's and Australia's largest solar farm

Further details can be found in Neoen's [ALLOCATION AND IMPACT REPORT](#) (2022)

Neoen's green bond framework at a glance

We published in May 2020 our Green Bond Framework aligned with the four pillars of the ICMA Green Bond Principles 2018



Use of process

- Neoen has decided to only use the green proceeds to finance or refinance renewable energy projects, including:
 - Renewable Energy: construction and operation of electricity generation facilities that produce electricity from solar PV and wind power
 - Storage Activities: construction and operation of facilities that store electricity and return it later in time (excluding hydrogen-based storage technologies)



Project Evaluation and Selection Process

- The project eligible for a green bond will be selected by Neoen's Green Bond Committee
- The Committee is composed of members of the executive committee as well as the head of financing and a representative of the CSR function



Management of process

- Neoen has set up a register to track the allocation of outstanding Green Bond proceeds to projects identified as Eligible Green Projects
- The unallocated balance will be placed in liquidity reserves and managed in accordance with our cash management policy



Reporting

- For all green issuances, Neoen intends to produce an allocation report as well as an impact report annually until full allocation of the Green Bond proceeds, these reports will include:
 - A list of Eligible Green Projects financed including a description of the projects, allocated amounts and their main environmental impacts

Neoen's Green Bond Framework has been reviewed by Vigeo Eiris (Now Moody's ESG Solutions)

A step further:
our Sustainability Framework



In 2021, we moved our commitment to the next level



Our CSR commitments: our Sustainability Framework

Our people

Working together to speed up the transition



- Working Ethically
- Encouraging Diversity
- Reducing Emissions

Our projects

Driving excellence in sustainability



- Prioritising Safety
- Protecting Biodiversity
- Integrating Recycling

Our communities

Participating in the transition with us



- Consulting and Engaging
- Economic Development
- Benefit-Sharing

More details in our Sustainability Framework, <https://neoen.com/en/csr/>

Our people (1): working ethically



Working Ethically

Respect and protect our core value of integrity at all levels of the company

Our commitments

- All employees formally commit to Neoen's Code of Conduct
- All employees formally commit to Neoen's Anti-Corruption code and are trained to combat corruption

Our achievements in 2021

- All employees have signed the Code of Conduct
- 95.6% of employees have taken the anti-corruption and compliance training and 52% of "exposed" employees have received additional anti-corruption training

ANTI-CORRUPTION CODE



(1) "Greener Neoen" is a spontaneous internal think tank whose objective is to drive Neoen to go "above and beyond" on the aspects of our business that relate to emissions reductions and the environment

Our people (2): encouraging diversity



Encouraging Diversity

Respect for the principles of fairness, inclusion and non-discrimination, encouraging gender balance

Our commitments

- Exceed industry benchmark of 32% women working at Neoen, in each of our regions
- Increase annually the percentage of management positions held by women

Our achievements in 2021

- These two objectives have not been reached; in particular, Americas region is far from the target.
- This is one of our top priorities in 2022

Our people (3): reducing emissions



Reducing Emissions

*Respect for the planet and the environment,
monitoring and mitigating our carbon footprint*



Our commitments

- Calculate our global carbon footprint (including scope 1, 2, 3)
- Support roll-out of at least one additional “Greener Neoen¹” initiative each year: in 2021, 100% offset of the company’s travel emissions

Our achievements in 2021

- For the first time, calculation of Neoen’s carbon footprint for all its 2020 activities (scopes 1, 2 and 3)
- In 2021, we offset 100% of the company’s business travel emissions in 2020 (707 tons of CO₂) by financing “clean” cookstoves for low-income families in Mozambique and Mexico

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Our projects (1): prioritizing safety



Prioritizing Safety

Maintaining a robust health and safety culture for our employees, contractors and subcontractors

Our commitments

- Collate & report frequency and severity of accident and incident rates of our contractors
- Conduct HSE compliance audit on all construction sites, monthly on sites > 20 MW in size, every 2 months on smaller sites

Our achievements in 2021

- We collected and analyzed the accident frequency rate of Neoen's contractors.
- 48% of our sites under construction have undergone an EH&S audit.

Our projects (2): protecting biodiversity



Protecting Biodiversity

Monitoring, limiting and mitigating our environmental and biodiversity impact across the project lifecycle

Our commitments

- Conduct environmental impact assessment by expert ecologists on 100% of sites during development
- Offset any unavoidable environmental impact in accordance with local requirements, with each project selecting one 'above and beyond' biodiversity initiative

Our achievements in 2021

- All assets commissioned in 2021 have undergone an Environmental Impact Assessment
- We systematically offset environmental impacts, beyond local legal requirements. Some of our projects have yet to decide on their "above and beyond" biodiversity initiative.

Our projects (3): integrating recycling



Integrating Recycling

Planning for future decommissioning of plants and recycling of all materials

Our commitments

- Identify recycling channels for all our activities
- Integrate a recycling commitment clause into all new supply agreements, in countries with a mature recycling industry

Our achievements in 2021

- We are monitoring innovation and new recycling channels.
- 174 new MW were covered by a recycling clause
 - Ireland: 58 MW solar panels
 - France: 16 MW / 16 MWh storage
 - Australia: 100 MW / 200 MWh (ACT Battery)

Our communities (1): consulting & engaging



Consulting & Engaging

Developing genuine, open and ongoing relationships with local communities and stakeholders

Our commitments

- Conduct community consultation and information-sharing on all projects during development, even if not mandated
- Develop a *Community Engagement Plan*¹ for all our new projects over 50 MW in scale

Our achievements in 2021

- All assets commissioned in 2021 were the subject of a consultation or information process
- The *Community Engagement Plan* has been published and is currently being implemented.

(1) Community Engagement Plan is a comprehensive internal tool which guides and maps our consultation and engagement across a project's lifecycle from early stages of assessing feasibility through until decommissioning | (2) Local Participation Plan is a sister document to the Community Engagement Plan which identifies and maps potential local and regional economic outcomes such as job creation, supply chain opportunities, apprenticeships and training.

Our communities (2): maximize our local impact



Economic Development

Delivering local and regional economic development through employment, supply chain outcomes and skills development

Our commitments

- Engage with local business and employment networks, prioritizing local suppliers and jobseekers where possible
- *Local Participation Plan*² developed for projects over 100 MW in scale

Our achievements in 2021

- Neoen has rolled out several initiatives in the countries where these projects and plants are located.
- The *Local Participation Plan* has been made available

(1) Community Engagement Plan is a comprehensive internal tool which guides and maps our consultation and engagement across a project's lifecycle from early stages of assessing feasibility through until decommissioning | (2) Local Participation Plan is a sister document to the Community Engagement Plan which identifies and maps potential local and regional economic outcomes such as job creation, supply chain opportunities, apprenticeships and training.

Our communities (3): benefit-sharing



Benefit-Sharing

Tailoring community benefit-sharing initiatives with and for the local community

Our commitments

- Develop a benefit-sharing initiative for each new project over 50 MW
- Create artwork that celebrates the encounter between renewable energy and local culture for each new project over 50 MW

Our achievements in 2021

- Neoen has rolled out initiatives in the countries where these projects and plants are located, some of which are presented hereafter.
- Several works have already been completed, with more still to come.



A glimpse of our actions in Aguascalientes (MXQ)



Construction of a new playschool (2020)

Badly needed but not addressed by the local authorities.



Funding of a community greenhouse (2020-2021)

The local women grow their vegetables and sell the surplus.



A greenhouse for the university and to combat deforestation (2021)

A greenhouse to grow local bushes that attract honeybees.



A glimpse of our actions in Aguascalientes (MXQ) (2)



Fitting out a beekeepers' workshop

An extra source of income.

The hives are installed on our land.



Fitting out a tannery

Where three generations provide services for the community.



A multi-purpose centre

The hub of village life.





NEOEN

ARGENTINA AUSTRALIA CANADA CROATIA ECUADOR EL SALVADOR FINLAND FRANCE IRELAND ITALY JAMAICA MEXICO MOZAMBIQUE PORTUGAL SWEDEN ZAMBIA